

May 16, 2017

## Canada Life participating policyowner dividend scale announcement – decrease for 2017

In May, the board of directors approved the recommendation of the company's actuary to decrease the 2017 participating policyowner dividend scale for all Canada Life™ (open and closed block policies), as well as former New York Life and Crown Life closed block participating life insurance policies.

This change takes effect on July 1, 2017.

### How we determine participating policyowner dividends

When you purchase participating life insurance, your insurance payments (premiums) go into an account called the participating account, together with all funds from other Canada Life participating policies.

To figure out factors guaranteed by your policy, like payments, guaranteed cash values and insurance payouts (death benefit), Canada Life uses long-term assumptions for investment returns, insurance claims, and business expenses, among others. Participating account earnings are generated when actual future results are better than assumed when the product was priced.

Each year, Canada Life may distribute part of those participating account earnings as policyowner dividends, as approved by the board of directors. Dividends aren't guaranteed.

Earnings held in the participating account become part of the surplus, which helps ensure the company can meet its obligations to participating policyholders, and help ensure the strength and stability of the company.

### Looking ahead

There's uncertainty in the markets and the low interest rate environment continues to put downward pressure on the participating account's investment performance and, as a result, the dividend scale.

### Accountability, strength and performance

Canada Life has offered participating life insurance products for almost 170 years. We believe in the important advantages and choice that participating life insurance offers as part of your financial plan.

Canada Life participating life insurance continues to be competitive and demonstrate strong, stable performance.

### For more information

- Participating account investment reports can be found in [Rates, Values and Performance](#)
- Further financial information can be found in [Canada Life participating life insurance financial facts](#)